

25X1

25X1

Page Denied

25X1

25X1

Next 1 Page(s) In Document Denied

25X11

25X1

25X1

25X1

25X1

25X1

Dissemination List for ORPA Report, RP 78-10282, Confidential, Job#428-732-78

No. of Copies

Recipient

NO ELITE DISSEM

| | |
|----|--|
| 2 | White House Situation Room, The White House Asst to the Vice President for National Security Affairs(Clift) |
| 1 | National Security Council, Information Liaison, Room 381, Executive Office Building Attn: Dep. Asst. to President for National Security Affairs (Aaron) |
| 9 | Department of State, INR/CC, Rm. 6510, New State Bldg. 1 - Deputy Secretary of State (Christopher) 1 - Director, Policy Planning Staff (Lake) 1 - Dep. Dir., Policy Planning Staff (Kreisberg) 1 - Under Secretary for Political Affairs (Newsom) 1 - Under Secretary for Economic Affairs (Cooper) 1 - Dir., Bureau of Politico-Military Affairs (Gelb) 1 - Director, Bureau of Intelligence and Research (Bowdler) 1 - Dir., INR/Soviet Union and Eastern Europe (Cook) 1 - Dir., INR/ Western Europe |
| 1 | ACDA, Chief, Intelligence Staff, Plans and Analysis Bureau, Rm. 6510A, New State Bldg. (Morrison) |
| 20 | Defense Intelligence Agency, RDS-3C, A Bldg., AHS 1 - Dep. Asst. Secretary of Defense, ISA 1 - Dep. Asst. Secretary for Europe and NATO Affairs, ISA (Glitman) 1 - Reg. Dir. for EUR and NATO Affairs, ISA 1 - Dep. Asst. Sec. for Policy Plans & NSC Affairs, ISA 1 - Asst. Sec. of Defense for Program Analysis and STATINTL Evaluation 1 - Policy Planning Staff, OSD/DIA 1 - DIO for Eur & Soviet Political/Mil. Affairs 1 - Current Intel. Production Div, DIA 1 - Asst. Dep. Dir. for Estimates, Free World Div., DIA 1 - Dep. Dir. for Intelligence Research, Western Div., DIA 1 - DIA/RDS, 3B3 (Library) 1 - Asst. Chief of Staff, Intell, USA 1 - Chief, Naval Operations 1 - Dir, Naval Intell. 1 - Asst. Chief of Staff, Intell, USAF 1 - Asst. to Secretary, Int'l Affairs, USAF 1 - Director, Joint Staff, JCS 1 - Vice Dir., J-5 Plans & Policy, JCS 1 - Europe Div., J-5, JCS 1 - Strategic Warning Staff, JCS |

Dissemination List for ORPA Report, RP 78-10282, Confidential, Job#428-732-78
(continued)

No. of Copies

Recipient

STATINTL

6

National Security Agency, Attn:
Room 2E024, Ft. Meade, Md.
1 - Director

1

Department of the Treasury, Office of Intelligence
Support, Dolores A. O'Dell, Rm. 4326, 15th St. and
Pa. Ave., N.W.
Attn: Office of Special Asst. for National
Security Affairs

1

Department of Commerce, Control Intelligence Section,
Room 1617M, Main Commerce Bldg.
Attn: Office of International Trade Policy

1

International Communications Agency, PGM/RL,
Classified Library, Room 532, 1750 Pa. Ave., N.W.
1 - Director (Reinhardt)

STATINTL

STATINTL

STATINTL

STATSPEC

Page Denied

Next 10 Page(s) In Document Denied

STATINTL

STAT

STATINTL

STAT

STATINTL
STATINTL



**Foreign
Assessment
Center**

25X1

25X1

East-West German Relations: The Status of Deutschlandspolitik

An Intelligence Assessment

Confidential

**RP 78-10282
August 1978**

Copy

23

Page Denied

CONFIDENTIAL

25X1

East-West German Relations: The Status of Deutschlandspolitik

Central Intelligence Agency
National Foreign Assessment Center

August 1978

Key Judgments

The contribution of *Ostpolitik* to detente in Europe was a West German initiative, inspired by German perception of the inability of the Allied Powers to defend their national interests. The fundamental purpose of this policy is to preserve what remains of a German nation by establishing closer relations with East Germany. It assumes the problem of the division of Germany can be mitigated but not resolved for the foreseeable future.

Bonn has recognized that a solution can come only through agreement with Moscow, as the development of *Ostpolitik* demonstrates. The essential opening, West Germany's acceptance of East Germany as a separate state, fulfilled a key Soviet condition, but popular sentiment made Bonn insist it be done without reducing prospects for eventual reunification. West Germany still must refuse to grant the international legal acceptance craved by East Germany, which complicates that regime's search for legitimacy.

The refusal also helps to ensure continuation of the sharp rivalry between the German states. In the first five years of official relations, their confrontation has become less international and more calculable, but the increase of West German economic and political influence on East Germany disturbs the Eastern authorities and makes clear that the "inner-German" relationship has not yet stabilized. The Soviets privately express concern about this trend of developments.

Moscow's response, at this point, is to seek to expand exchanges with the West German Government on "inner-German" affairs. This theme is becoming more important in Soviet-West German relations and Bonn cannot afford to ignore Moscow's concerns. Although Moscow is consequently acquiring somewhat more leverage in Bonn, this does not threaten Bonn's adherence to the alliance.

CONFIDENTIAL

CONFIDENTIAL



25X1

The USSR, France, the United Kingdom, and the United States are deeply engaged in the continuing German confrontation. All but the USSR are committed to West Germany's goal of eventual German unity. This dream remains a significant factor in the political struggle, and West German political leaders expect understanding of it, especially from the United States.

CONFIDENTIAL

25X1

East-West German Relations: The Status of Deutschlandspolitik

*Denk' ich an Deutschland in der Nacht,
Bin ich um den Schlaf gebracht.*

Heine

Among those unable to sleep at night when they fall to contemplating Germany—in the words of the poet Heine—are modern Europeans who are concerned about the dynamic balance between East and West Germany that influences so importantly the confrontation of alliances in central Europe. The Europeans hope that the balance is stable, that is, that it will not be disrupted by misjudgments of the great powers involved or by the Germans themselves.

The Soviet and US superpowers, whose rivalry has been intensified by the political competition of rump Germanies modeled after their respective societies, are assumed by Europeans to have learned well in 30 years the rules of the German confrontation. Washington and Moscow, they believe, will provide the restraint needed to ensure that German rivalry remains under control, each yielding to its German ally enough to keep it within the camp to which it is attached. This is not said publicly by informed Europeans for fear German nationalism could be aroused by loose talk of an international conspiracy to divide the German nation. Europeans do not want to see German politicians on either side turn against their alliance or attempt to take matters into their own hands.

Although it is little reported outside of West Germany, some important East-West economic and political relations are in German hands. Policy for Germany (Deutschlandspolitik) to expand and improve what Bonn calls "inner-German relations" is a fundamental part of West German foreign policy. Deutschlandspolitik is the reason for and the heart of Bonn's Ostpolitik,

the broader policy of rapprochement with the Eastern countries, especially with the Soviet Union.

In the last decade, a series of bold West German initiatives in this area led to what Bonn sees as a provisional settlement of problems arising from World War II. In essence, it conceded inviolability of existing boundaries and recognition of two German states, while maintaining the national goal of German reunification in peace—the objective of Deutschlandspolitik. These developments encouraged the reduction of tension known as detente and altered the climate of confrontation in central Europe. What had been international crises over Berlin have been reduced to national dimension. But the East-West struggle continues, between German proxies of the great powers. Deutschlandspolitik, in which the United States, the USSR, the United Kingdom, and France are deeply engaged, ensures long life to this contest. A selective review of the history and the current status of Deutschlandspolitik is the purpose of this assessment.

Political Commitment to the Nation

In 1949, when the Federal Republic of Germany and the German Democratic Republic were founded, each state proclaimed the goal of national unity and each saw itself as a model for the unified Germany of the future. Adherence to this national ideal had been encouraged because the victors in World War II agreed at the Potsdam Conference of 1945 to treat Germany as one country, although with a decentralized organization. Furthermore, the main occupying powers, Great Britain, the USSR, and the United States, continued to accept the concept of German unity and its attraction for Germans,

CONFIDENTIAL

CONFIDENTIAL

especially after they fell out and started to compete for Germany's political allegiance.

The West German constitutional commitment to national unity remains unaltered. In view of public sentiment, revision of the Basic Law to accommodate the concept of two German states is politically impossible for the foreseeable future. Only in 1974 was the East German constitution revised to eliminate statements favoring national unity, which the previous constitution, adopted by public referendum in 1968, still proclaimed as a goal.

Public acceptance in West Germany of Chancellor Adenauer's decision in 1954 to lead the Western state into the NATO alliance was less than Adenauer's or NATO's subsequent popularity might suggest. There were strong objections to alignment with the West from many elements of German society, especially those who saw participation in military alliance against the Soviets as foreclosing the possibility for reunification. This concern was mollified by West Germany's engagement of the Western Powers on its behalf: the United States, the United Kingdom, and France declared in the London Agreement of 1954 that "achievement through peaceful means of a fully free and unified Germany remains a fundamental goal of their policy." Although Bonn's *Ostpolitik* has, in the meantime, accepted two German states and given a form of recognition to the other one, the West German Government still considers this 1954 engagement a valid and essential part of its foreign policy.

From Westpolitik to the Berlin Wall

A brief thaw in East-West relations followed the Austrian State Treaty of 1955. During this time, the Soviet Union established diplomatic relations with the Bonn government. The acceptance of anti-Communist West Germany by the USSR was difficult for the East Berlin leaders to swallow, but the Soviets pledged every effort to gain equivalent recognition for the East German Government. Despite Bonn's efforts to minimize such recognition, the Soviet concept of two German states eventually prevailed. It was accepted

by the advocates of the new *Ostpolitik* 15 years later.

Also in 1955, at the Geneva summit meeting with Western chiefs of government, Soviet leaders acknowledged, for the last time, the principle of a unified Germany. By this time, however, so intractable was the complex of German issues and so unyielding were the Soviets on substance that Adenauer continued to concentrate on Bonn's ties to the West, seemingly to await better conditions for further bargaining with Moscow. Events in the late 1950s seemed to justify this approach and thus added to the popularity of Adenauer's foreign policy. Soviet withdrawal from Austria contributed to instability in Eastern Europe, notably in Poland and Hungary, to which the Soviets responded militarily, thus dramatizing for West German voters the threat portrayed by Adenauer. His greatest election victory came in 1957.

In the late 1950s, the Social Democratic Party (SPD) still contested Adenauer's policy of alliance with the West, but with diminishing enthusiasm. Soviet pressures on West Germany, heightened by the Khrushchev challenge to Berlin (1958-62), made the SPD position more and more awkward. The opposition party finally gave up the contest in 1960, acknowledging that Adenauer's policy was warranted by the aggressive Soviet posture. One year later the Soviets and East Germans, in a defensive move, built the Berlin Wall to stem the flight of refugees from East Germany. This act, viewed generally in the West as offensive and as a possible prelude to further incursions, raised doubts about Adenauer's foreign policy that were more enduring than the fears it stimulated. Many Germans concluded that Adenauer had waited too long; he would never get a settlement from the forceful Soviets on anything like his terms. The Soviets put about the tale that the United States had agreed, behind German backs, not to oppose the Wall.

Onward to Ostpolitik

The national trauma of the Berlin Wall provoked reactions in West Germany that encour-

CONFIDENTIAL

aged Soviet hopes of gaining influence. Many Bonn politicians felt that Adenauer, by his almost exclusive reliance on the West, was neglecting the national interest. There was suppressed German resentment of the Western Allies, in particular of the United States, for their inability to cope with the Soviets. The West German Ambassador in Moscow, without instructions from Bonn, made an appointment with Khrushchev to plead for better relations. The SPD's chancellor candidate and West Berlin's governing Mayor, Willy Brandt, then engaged in the 1961 federal election campaign, tried to portray Adenauer as indifferent to the fate of the German nation. Gradually even the Foreign Ministry concluded that a more active *Ostpolitik* was required.

The political impact of the Wall was felt especially by Brandt, who held the pro-US attitudes by then firmly established among Berlin leaders. He had played a major role in turning the SPD away from its opposition to Adenauer's *Westpolitik*. News that the East-West border was being sealed caught Brandt campaigning in West Germany. He flew at once to West Berlin and sought to stand as defender of a city that felt defenseless. It was a difficult role. Brandt felt compelled to criticize Allied inaction, and he sent a brisk letter on Berlin's political problem to President Kennedy. The strains of this period on Brandt strengthened his resolve to follow—preferable with, but if necessary without, the approval of Bonn or of West Germany's allies—the course that eventually became the SPD's *Ostpolitik*.

Initial concepts of this policy were hatched in post-Wall West Berlin by a circle of advisers around Brandt, most importantly by his then press chief Egon Bahr. They concluded the Allies could not be expected to represent German national interest. Germans would have to do that. Although the Bonn government was by then beginning to move toward a more active *Ostpolitik*, the Berlin circle felt it was not moving fast enough. Furthermore, the predominantly Catholic, non-Prussian Christian Democrats of West Germany, the Berliners thought, were not well suited to deal effectively with the Soviets. By

1963 Bahr was engaged in clandestine meetings, mainly in the corner taverns of West Berlin, with Soviet officials well versed in German language and history who came from the Soviet Embassy in East Berlin.

The first public statement of the developing Brandt *Ostpolitik* was a speech by Bahr in July 1963 to a political discussion forum in Tutzing (Bavaria). The Soviet Embassy in East Berlin received copies of the speech. It amounted to a call for a *Deutschlandspolitik* of "change through closer relations" with East Germany and implied that Bahr's suggestions were based on the ideas of President Kennedy. To test this concept, Brandt began soundings with East Germany on "small steps" to improve relations. This caused displeasure in Bonn, where the exchanges were not fully coordinated. After these explorations led to formal negotiations between the West Berlin Senat and East Germany, Brandt achieved an agreement at Christmas 1963 that permitted West Berliners to get passes to visit their relatives in East Berlin. This "human improvement" was a minor political success, although opposition to any move that enhanced the status of East Germany was still strong.

In 1966, the SPD joined with the CDU to establish a grand coalition government in Bonn, of which Brandt was Foreign Minister. He made Bahr the chief of foreign policy planning. The policy of "small steps" and of "change through closer relations" was broadened and grafted on to West Germany's foreign policy. As Foreign Minister, Brandt still felt restricted in his attempts to expand *Ostpolitik*. Chancellor Kiesinger, whose Christian Democratic Union inherited the policies of the Adenauer era, refused to accept the concept of two German states. During 1967, however, West Germany established diplomatic relations with Romania. In 1968, the liberalization in Czechoslovakia known as the Prague Spring attracted special West German interest and quiet encouragement. When the Soviets intervened militarily to reverse this development, West German policy planners were not discouraged. Instead, the Soviet action reinforced their belief that an effective *Ostpolitik* could be conducted only through Moscow.

CONFIDENTIAL

CONFIDENTIAL

Brandt became Chancellor of the social/liberal coalition that took office in October 1969. His government statement announced readiness to accept two German states, while not abandoning the ideal of a unified German nation. First it was necessary to talk to Moscow. Bahr was the main negotiator in intensive talks that led, in August 1970, to the first milestone of the new *Ostpolitik*, the Treaty of Moscow. A similar understanding was signed with Poland in December. Ratification of these treaties was postponed pending conclusion of the Quadripartite Agreement on Berlin, then the subject of negotiations among the Occupying Powers. Agreement in these talks came in September 1971, and the Eastern treaties were presented to the Bundestag in early 1972. Prior to ratification, defections from Brandt's parliamentary coalition on the issue of *Ostpolitik* were such that the government barely survived a move to topple it. Yet the Moscow and Warsaw treaties were accepted, with the help of yet another all-party Bundestag statement of dedication to the ideal of national unity.

It was then time to deal with the kernel of the Brandt *Ostpolitik*—acceptance of East Germany as the other German state. In late 1972, Bahr negotiated the Treaty on Basic Relations with East Germany, bringing it to conclusion shortly before the national elections in November. The national excitement it stirred was probably more positive than negative; the SPD scored its best national election result in that year. Although the treaty initiated relations between the two German states and completed the basic building blocks of the *Ostpolitik*, it did not ensure calm or rapid progress in the *Deutschlandspolitik*. It took another 18 months just to complete the exchange of official missions.

Basic Treaty Interpretation

From the West German standpoint, the purpose of the Basic Treaty was to expand and regularize ties with East Germany so that it would be possible to begin filling in the gulf between the two states, to preserve common German interests, and to provide more scope for a *Deutschlandspolitik*. The treaty recorded

Bonn's view that it did not regulate "questions of nationality," thus refusing to concede East German demands (for example, separate citizenship) that would contradict West Germany's constitutional commitment to national unity. In other ways, for example by providing for the exchange of "permanent representations" rather than "embassies," the Treaty reflected Bonn's insistence on a "special relationship."

Bonn's refusal to accord East Germany full international legal status was reinforced in 1973 by a judgment of the Constitutional Court in Karlsruhe. Bavaria had contended that the Basic Treaty was unconstitutional and asked the court for an interpretation of the treaty. The court ruled it to be constitutional if it were interpreted to mean that the treaty does not contravene the German reunification requirement of the Basic Law. The judgment affirmed the Bonn government's responsibility for all of Germany, enjoined it to pursue a policy aimed at reunification, said that the border between East and West Germany is not a national boundary, and called the East German practices on that frontier to prevent refugee escapes (for example, use of weapons, barbed wire, death strip) "incompatible with the Treaty." The Brandt Cabinet expressed "satisfaction" with this judgment, but privately concluded that it would provoke the East Germans.

Basic Treaty Balance

In the five years after the Basic Treaty took effect, relations between the two states improved enough in practical ways so that the Bonn government could defend its *Deutschlandspolitik* before the Bundestag. In general, travel and the conditions of travel between the two Germanies improved,¹ communications and their understanding of each other expanded: "interzonal" trade, which gives East Germany access to the

¹ The annual total of visits to East Germany by West Germans and West Berliners increased from 1.27 million in 1971 to 6.5 million in 1976; more than half of those visiting in 1976 were West Berliners who had had no visiting rights to East Germany in 1971. (The total population of East Germany is 16.8 million.) In the same five years, the roughly 1 million East German pensioners traveling to West Germany rose to 1.3 million annually. Visits by East Germans not of pension age, previously insignificant, totaled 42,751 in 1976.

CONFIDENTIAL

EC market, and East German indebtedness to West Germany grew to such an extent that the question of East German dependency arose. Furthermore, the West Germans managed to fend off East German claims meant to establish jurisdictional distinctions and full international legal recognition, so that the legal division of Germany remained roughly what the Treaty established.

Court judgments in East and West Germany, for example, have set forth conflicting views on the issue of exfiltration or covert emigration of East Germans, usually with help from West German citizens. The Western court ruled that exfiltration is not a legal violation, but rather support of East German citizens in the realization of their fundamental right to free movement. The Eastern judgment denounced exfiltration and accused West Germany of shirking international legal obligations. Public sentiment in West Germany generally favors help for those who risk flight from East Germany, so any basic Bonn accommodation to East Berlin insistence on legal action to halt exfiltration is not likely. Nevertheless, Bonn is seeking from state authorities in West Germany a consensus on measures to curtail the activity of profiteers and other charlatans in the exfiltration business.

East Germany has sought to apply to its Elbe River boundary with West Germany the international legal principle that borders between riparian states properly lie in the middle of the river. This was asserted by an East German court ruling. But West Germany insists the boundary is the east bank, where—on the basis of former German provincial borders—the territory of the “Soviet Zone” was delimited on Allied occupation maps. Thus the joint Border Commission, established by a protocol to the Basic Treaty, will exclude the Elbe sector from its agreed findings. Furthermore, by its stand on the form of the border understanding to be signed, Bonn will maintain its position that final establishment of Germany’s borders is to be determined with the Allies in an eventual peace treaty.

Dramatic evidence that reconciliation between the German states remains more goal than policy is provided by the continuing espionage struggle. Both sides are engaged in this front, but the

greater investment and the more impressive achievement, available information clearly suggests, belong to the Ministry for State Security in East Berlin. It is ironic that the chief advocate of understanding with the East, Willy Brandt, was forced to resign as chancellor because of an accumulation of political burdens, the final and decisive one being the discovery of an East German agent on his immediate staff. The West Germans, in recent years, have scored with great effect in the field of counterintelligence, in part because this endeavor benefits from an enormous target. Bonn also conducts intelligence operations in East Germany, about which the authorities in East Berlin recently complained, but they are limited in scope and have evidently met with comparatively little success. The espionage war, of course, will continue. It will also, from time to time, be publicly revealed in ways that disturb the atmosphere of East-West German relations. Both sides expect this. They are resolved, however, not to let the inevitable flaps determine the fundamental course of their relations.

The Economic Lever

In the ties that bind the German states, economic links are second in importance only to the countless personal relationships. The national institution of “interzonal trade” survived every political shock prior to the Basic Treaty. Not surprisingly, it has expanded since then, from a total exchange of 5.3 billion marks (DM) in 1972 to 8.3 billion DM in 1977. Despite a 67-percent increase in West German imports, compared with an increase of only 48 percent in exports, the balance still favors West Germany, and the swing credit, continually extended in East Germany’s favor, was enlarged to accommodate the greater exchange. Total East German indebtedness to West Germany roughly doubled between 1973 and 1976. As a result, East Berlin has recently sought to diversify trade with the “non-socialist countries” in order to limit its dependence on West Germany. At the same time, East German earnings of DM from other than interzonal trade rose along with services provided—from improvements in the interzonal transit routes to the ransom of political prisoners, for

CONFIDENTIAL

5

CONFIDENTIAL

example, East German dissidents, East Germans sentenced for attempting to flee "the Republic," and West Germans imprisoned for allegedly spying on East Germany.

So great is the East German need for foreign exchange that the government has in recent years developed a system of "Intershops" where good-quality merchandise, most of it imported from the West, can be purchased with hard currencies. In practice, this means with DM, which East Germans acquire mainly from their West German friends and relatives. East Germans are now permitted to maintain DM bank accounts. The West German mark has become a prized alternative to the East German currency. Despite the political repercussions, including criticism of "Intershop communism" by Communists of allied nations and discontent among East Germany's most loyal officials, who are supposed to eschew contact with DM-bearing West Germans, the East German leadership has made clear that the system will be kept for the time being because it badly needs the hard currency.

In summary, despite the multiplication of contacts between the German states, stabilization of relations has not been achieved. Real understanding develops slowly, after hard negotiations, if at all. Every area of relations has been disputed. Some progressed imperceptibly and there have been many setbacks. For example, the East Germans at one point arbitrarily raised the mandatory currency exchange for pensioners visiting East Germany so that the "human improvement" of travel declined sharply; in time, so did the popularity of *Ostpolitik* in West German polls. After a year of hard bargaining and new financial concessions by Bonn, the East German Government conceded relief for the pensioners. The bargain was representative of recent relations: "human improvements" for Bonn's economic support. In effect, the Treaty on Basic Relations has merely provided another standard for mediation of the German confrontation, a framework for continuation of the struggle.

The Military Factor

The Basic Treaty is also a renunciation-of-force agreement. It calls on both parties to

promote peaceful relations "between the European states" and to support efforts "serving international security" to achieve armaments limitation and disarmament. Negotiations to this end are not conducted bilaterally by the two Germanies, but the declarations of intent are relevant in the treaty that sets the terms of the German confrontation. The West Germans, for whom the factor of perceived military strength is a disadvantage in the contest with East Germany, can regard the growth of the Warsaw Pact military position in the past five years as a negative influence on *Deutschlandspolitik*.

There is a relationship between the new era of *Deutschlandspolitik* introduced by the Basic Treaty—with its greater exposure of East Germany to West German political, cultural, and economic influence—and the strengthened military posture of the Warsaw Pact. From the Soviet viewpoint, a strong security position, especially public perception that its military strength is dominant, compensates in part for the political weakness of its position in central Europe and shores up the edifice of East Germany. From the Bonn viewpoint, East Germany's tough and often aggressive negotiating stance, whatever its real motivation, is explained only by an assumption of military advantage. This concept illuminates the special sensitivity of West German politicians to the European military balance; it not only determines the vulnerability of their country, but also affects directly the conduct of fundamental national policy.

Official Versus Unofficial Relations

Since 1974 when the two German states exchanged "permanent representations," the relations conducted through these offices have expanded. Nevertheless, some previously existing informal channels between Bonn and East Berlin have continued to function. This is because the unofficial channels transact officially inadmissible business (ransom deals involving political prisoners, for example) and because both sides find merit in arrangements that permit high-level, unofficial soundings. The most important such channel links East German party chief Erich Honecker to the influential SPD Bun-

CONFIDENTIAL

destag leader Herbert Wehner, through the trusted East Berlin lawyer and prisoner exchanger Wolfgang Vogel. Although the tie was established before his government, it is sanctioned by Chancellor Helmut Schmidt, to whom Wehner reports. The Wehner-Honecker channel remains active. It conducts business that Schmidt would not entrust to his official representative in East Berlin.

Lesser unofficial channels appear to be withering away, except those with a specific function, such as Vogel's prisoner deals with West Berlin lawyer Juergen Stange. It is worth noting, however, that an unofficial channel can be said to exist wherever an East and West German come together in what they regard as the national interest. Those who serve as unofficial messengers and negotiators between the Germanies tend to regard themselves as saviors of the nation. They also guard the confidentiality of their information, as do their respective governments. By tradition, knowledge about East-West German direct dealings is disclosed only selectively, and when disclosure is deemed necessary, to the powers allied with Bonn.

This management of inner-German information reflects the sentiment that preservation of what remains of the nation is mainly German business, and that its conduct should not be exposed at every step of the way to Allied review and possible objection. It also shows understanding that the Allies have limited capacities for dealing with the details of the endless, complex disputes between the Germans. For its own reasons, then, and because its officials consider others to be impatient with "querulous Germans," the government in Bonn limits available information on *Deutschlandspolitik*, although it seeks the counsel of the Western Allies when their interests are clearly involved or their support is needed.

The Chancellor's Position

Before he became chancellor, Schmidt was characteristically skeptical about the *Ostpolitik* of Brandt and Bahr, and often critical of their precipitate pace in adjusting Bonn's policy to the concept of two German states. One of Schmidt's

first decisions as chief of government was to remove Bahr from a position of direct influence on *Ostpolitik*. Schmidt has established more control over the informal channels to East Germany and has sought to drive harder bargains in inner-German settlements. There are indications he may even approve the position advocated in recent disputes with East Germany by the opposition, that West Germany should employ more forcefully the threat of economic retaliation.

Schmidt is known to share the view of his predecessor that *Deutschlandspolitik* is a fit subject for Allied coordination only in outline or when specific allied interests are affected. Nevertheless, consultations with France, the United Kingdom, and the United States on inner-German issues, Berlin problems, and *Ostpolitik* in general have improved in recent years. The standing Bonn Group is better informed and the Chancellery has increased the number of special briefings for the main allied Ambassadors. Schmidt's *Ostpolitik* is noticeably more accountable than that of Brandt and Bahr and less influenced by Bahr's informal channel to the Soviets, although this link still exists. Bonn's allies, in addition, have less reason to feel uncertain about what goes on in this field of policy than they did in the Brandt era because of Schmidt's less romantic, more questioning approach.

Outlook

Five years of *Deutschlandspolitik*, with the help of official relations, have tended to formalize the German confrontation and make it more calculable, without significantly reducing the rivalry. The prospect in the immediate future is for agreement on projects that will imply steps toward Bonn's goal of national reconciliation and reward the East Berlin quest for foreign exchange; the Hamburg-West Berlin autobahn is such a project. Further direct "human improvements" (for example, Bonn's request that more East Germans be permitted to travel west) are not likely to be conceded in the foreseeable future by East Berlin, where international acceptance has not visibly improved the uncertain relationship of government to citizenry.

CONFIDENTIAL

CONFIDENTIAL

The basic dilemma of Bonn's policy toward East Germany is that the more it succeeds in alleviating the social and political strains of the German separation, the more it encourages national solidarity and thus risks undercutting the East German regime's fragile authority. Too much success for *Deutschlandspolitik* could conceivably so complicate the political problems of East Berlin that the Soviets would be urged to reconsider the application of detente to German territory.

There are already indications of Soviet suspicion that the German confrontation could take an undesirable turn. Moscow has complained informally about trends in East Germany and sought information from Bonn on East-West German relations. East Berlin, in turn, has objected to Bonn about representations on this subject made by West Germany to visiting Soviet leader Brezhnev. Developments in East Germany since the Basic Treaty, the rise of political dissidence and problems connected with the regime's experiments in consumerism, will impel the Soviets to be more active in seeking to monitor and control inner-German relations by influencing both sides.

Thus the more active Soviet-West German dialogue on Berlin and East German matters, evident in the years since the Basic Treaty, will continue and probably expand. The pressures of East-West confrontation having diminished, the Western Allies show an inclination to let the West Germans handle them, and this fits the Bonn government's desire not to overburden the Allies with details of its national problem. It is surprising that the coordination of Berlin and German policies among the members of the Bonn group has nevertheless improved, and it is probable that much of the improvement can be attributed to Foreign Minister Hans-Dietrich Genscher. Although his Free Democratic Party contributed to the development of *Ostpolitik* and has consistently supported it, Genscher has reason to question SPD execution of the policy, and he is even firmer in relations with the Soviets than Schmidt. Genscher also shares his ministry's preference for close coordination with the Western Allies.

The Soviet Union, by more direct engagement in the German confrontation, is acquiring somewhat more leverage in Bonn. Such an accession in influence by the Soviets is an acceptable risk. It does not threaten Bonn's adherence to the Alliance. West German politicians, in particular the initiators of the *Ostpolitik*, have repeatedly stressed that the quest for understanding with the political adversary can be conducted only on the basis of a strong NATO. The dynamics of the German confrontation are such that this assertion can be accepted at face value.

In its struggle for accommodation with East Germany, the West German Government is gradually establishing a higher priority for *Ostpolitik* in its scale of foreign policy values. This is inevitable. It is the policy that has the most immediate impact on politics in Bonn. Every East German or Soviet pressure tactic is a headline story in the West German press. *Deutschlandspolitik/Ostpolitik* is also a highly vulnerable foreign policy. A vigorous opposition belabors the government daily for yielding too much, and there is a rough balance between critics and advocates of *Ostpolitik*. Given the rigor with which Eastern political bargains are inspected in West Germany, Bonn must be very careful not to award the unlovable government in East Germany so much that national sentiment would be offended. The Soviets, on the other hand, though capable of holding East German feet to the fire, can ill afford to force concessions on East Berlin that would risk reawakening belief in the imminence of national reunification, to the detriment of the Soviet position in central Europe. Therefore, the kind of dramatic breakthrough in *Deutschlandspolitik* that would be highly popular with West German voters and could justify a basic reassessment of foreign engagements will be denied the Bonn government for the foreseeable future. Though essential and irreversible, *Ostpolitik* is not now comparable in importance to the Atlantic and European commitments of West Germany.

Despite its dim prospects, the goal of reunification, preserved at Bonn's insistence in every treaty of the *Ostpolitik* and contractually endorsed by the Western Allies, deserves to be

CONFIDENTIAL

understood as a dream of significance to the political struggle. The East German Government dropped its constitutional insistence on reunification only so it could argue that West Germany should do the same. Yet in a German state where public opinion counts, abandonment of the goal is practically impossible. A two-thirds vote of the Bundestag would be required to amend the reunification provisions of the Basic Law. Such a vote is considered inconceivable even by zealous advocates of *Ostpolitik*. So the ideal of reunifica-

tion will remain an important factor in the German confrontation, and West German political leaders will continue to expect understanding—although not necessarily public endorsement—of this national goal by the Allies, and especially by the United States, the only power involved which, in the German estimate, can contemplate the possibility of German reunification without serious reservations and the only power whose support it cannot do without.

This paper was prepared by the Office of Regional and Political Analysis and was coordinated with the Office of Economic Research. Questions and comments may be addressed to

STAT

CONFIDENTIAL

Confidential

STATINTL

| SENDER WILL CHECK CLASSIFICATION | | | |
|--|--------------------|--------------|----------------|
| UNCLASSIFIED | CONFIDENTIAL | SECRET | |
| OFFICIAL ROUTING SLIP | | | |
| TO | NAME AND ADDRESS | DATE | INITIALS |
| 1 | [] ORPA/WE | 7/8/78 | 8/11 |
| 2 | PPG/R&DB, Rm. 7G07 | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| ACTION | | DIRECT REPLY | PREPARE REPLY |
| APPROVAL | | DISPATCH | RECOMMENDATION |
| COMMENT | | FILE | RETURN |
| CONCURRENCE | | INFORMATION | SIGNATURE |
| Remarks: Please annotate each paragraph as follows: 1. Classification (including unclassified). 2. Underline classified material and indicate in the margin the reason for classification (i.e. - source -- cite number (such as [] and etc.), analysis, etc.). <i>Ples. See note on reverse this slip.</i> Please sign the cover of the attached document. <i>fm</i> | | | |
| FOLD HERE TO RETURN TO SENDER | | | |
| FROM: NAME, ADDRESS AND PHONE NO. | | | DATE |
| PPG/R&D Rm. 7G07, Hq. [] | | | |
| UNCLASSIFIED | CONFIDENTIAL | SECRET | |

STATINTL

STAT

Page Denied